

DEBTOR(S): Powell Valley Health Care, Inc.

**MONTHLY OPERATING REPORT**  
**CHAPTER 11**

CASE NUMBER: 16-20326

**Form 2-A**  
**COVER SHEET**

For Period End Date: 07/31/2016

Accounting Method: ☒ Accrual Basis ☐ Cash Basis

**THIS REPORT IS DUE 21 DAYS AFTER THE END OF THE MONTH**

Mark One Box for Each  
Required Document:

Debtor must attach each of the following documents unless the U. S. Trustee  
has waived the requirement in writing. File the original with the Clerk of Court.  
Submit a duplicate, with original signature, to the U. S. Trustee.

Report/Document Attached	Previously Waived	REQUIRED REPORTS/DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursements Statement (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts (Redact all but last 4 digits of account number and remove check images)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts
<input checked="" type="checkbox"/>	<input type="checkbox"/>	9. Evidence of insurance for all policies renewed or replaced during month

***I declare under penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate and correct to the best of my knowledge and belief.***

Executed on: \_\_\_\_\_

Print Name: Michael Long

Signature: 

Title: Chief Financial Officer

**DEBTOR(S)** Powell Valley Health Care, Inc. **CASE NO:** 16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 07/01/2016 to 07/31/2016

**CASH FLOW SUMMARY**

	<u>Current Month</u>	<u>Accumulated</u>
<b>1. Beginning Cash Balance</b>	\$ <u>4,129,345</u> (1)	\$ <u>3,499,673</u> (1)
<b>2. Cash Receipts</b>		
Operations	3,365,005	8,804,471
Sale of Assets	0	0
Loans/advances	0	0
Other	0	2,170
<b>Total Cash Receipts</b>	\$ <u>3,365,005</u>	\$ <u>8,806,641</u>
<b>3. Cash Disbursements</b>		
Operations	4,369,351	8,886,965
Debt Service/Secured loan payment	0	0
Professional fees/U.S. Trustee fees	0	0
Professional fees paid from retainer (e.g. COLTAF accts)	0	0
Other	16,000	310,350
<b>Total Cash Disbursements</b>	\$ <u>4,385,351</u>	\$ <u>9,197,315</u>
<b>4. Net Cash Flow (Total Cash Receipts less Total Cash Disbursements)</b>	<u>-1,020,346</u>	<u>-390,674</u>
<b>5 Ending Cash Balance (to Form 2-C)</b>	\$ <u>3,108,999</u> (2)	\$ <u>3,108,999</u> (2)

**CASH BALANCE SUMMARY**

	<u>Financial Institution</u>	<u>Book Balance</u>
Petty Cash	<u>Powell Valley Healthcare</u>	\$ 2,170
DIP Operating Account	<u>1st Bank Wyo 8425</u>	-2,941,207
DIP State Tax Account	<u></u>	0
DIP Payroll Account	<u>1st Bank Wyo 4501</u>	-609,562
Other Operating Account	<u>1st Bank Wyo See form 2G</u>	6,657,598
Retainers held by professionals (i.e. COLTAF)	<u></u>	0
<b>TOTAL (must agree with Ending Cash Balance above)</b>		\$ <u>3,108,999</u> (2)

- (1) Accumulated beginning cash balance is the cash available at the commencement of the case and retainers.  
Current month beginning cash balance should equal the previous month's ending balance.
- (2) All cash balances should be the same.

DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO:

16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 07/01/2016 to 07/31/2016

**CASH RECEIPTS DETAIL**

**Account No:**

**7301**

*(attach additional sheets as necessary)*

Date	Payer	Description	Amount
07/01/2016	Medicare EFT	Patient/Resident account	2,235.36
07/01/2016	Other Commercial	Patient/Resident account	3,539.20
07/01/2016	Other	Cash payments	12,183.86
07/01/2016	Other EFT	Patient/Resident account	23,324.10
07/05/2016	Medicare EFT	Patient/Resident account	53,361.57
07/05/2016	Cigna	Patient/Resident account	8,456.48
07/05/2016	Other Commercial	Patient/Resident account	46,100.04
07/05/2016	Other	Cash payments	15,422.93
07/05/2016	Other EFT	Patient/Resident account	65,994.71
07/06/2016	Medicare EFT	Patient/Resident account	51,017.26
07/06/2016	Other Commercial	Patient/Resident account	402,813.68
07/06/2016	Other	Cash payments	42,094.73
07/06/2016	Other EFT	Patient/Resident account	10,965.29
07/07/2016	Medicare EFT	Patient/Resident account	14,269.14
07/07/2016	Other Commercial	Patient/Resident account	170.00
07/07/2016	Other	Cash payments	47,036.74
07/07/2016	Other EFT	Patient/Resident account	38,180.53
07/08/2016	Medicare EFT	Patient/Resident account	27,028.96
07/08/2016	Other Commercial	Patient/Resident account	8,504.07
07/08/2016	Other	Cash payments	4,954.97
07/08/2016	Other EFT	Patient/Resident account	19,360.92
07/11/2016	Medicare EFT	Patient/Resident account	17,849.03
07/11/2016	Other Commercial	Patient/Resident account	3,492.07
07/11/2016	Other	Cash payments	58,475.80
07/11/2016	Other EFT	Patient/Resident account	74,228.89
07/12/2016	Medicare EFT	Patient/Resident account	6,465.98
07/12/2016	Aetna/BCBS	Patient/Resident account	115,434.35
07/12/2016	Cigna	Patient/Resident account	1,835.06
07/12/2016	Other Commercial	Patient/Resident account	34,581.67
07/12/2016	Other	Cash payments	25,427.08
07/12/2016	Other EFT	Patient/Resident account	3,734.72
07/13/2016	Medicare EFT	Patient/Resident account	15,513.65
07/13/2016	Aetna/BCBS	Patient/Resident account	3,229.50
07/13/2016	Cigna	Patient/Resident account	7,383.36
07/13/2016	Other Commercial	Patient/Resident account	103,769.61
07/13/2016	Other	Cash payments	8,710.02
07/13/2016	Other EFT	Patient/Resident account	22,246.95
07/14/2016	Medicare EFT	Patient/Resident account	81,932.10
07/14/2016	Other Commercial	Patient/Resident account	1,020.52
07/14/2016	Other	Cash payments	15,470.62
07/14/2016	Other EFT	Patient/Resident account	6,985.29
07/15/2016	Medicare EFT	Patient/Resident account	18,433.58
07/15/2016	Cigna	Patient/Resident account	9,376.82
07/15/2016	Other Commercial	Patient/Resident account	32,293.36
07/15/2016	Other	Cash payments	5,313.70
07/15/2016	Other EFT	Patient/Resident account	85,017.78
07/18/2016	Medicare EFT	Patient/Resident account	38,118.12
07/18/2016	Aetna/BCBS	Patient/Resident account	8,582.76
07/18/2016	Cigna	Patient/Resident account	3,533.20
07/18/2016	Other Commercial	Patient/Resident account	44,658.38
07/18/2016	Other	Cash payments	46,910.63
07/18/2016	Other EFT	Patient/Resident account	8,772.49



DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO:

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**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 07/01/2016 to 07/31/2016

**CASH RECEIPTS DETAIL**

**Account No:**

**7301**

*(attach additional sheets as necessary)*

Date	Payer	Description	Amount
07/19/2016	Medicare EFT	Patient/Resident account	19,792.21
07/19/2016	Aetna/BCBS	Patient/Resident account	52,147.11
07/19/2016	Cigna	Patient/Resident account	19,957.48
07/19/2016	Other Commercial	Patient/Resident account	70,341.72
07/19/2016	Other	Cash payments	20,022.37
07/19/2016	Other EFT	Patient/Resident account	105,925.32
07/20/2016	Medicare EFT	Patient/Resident account	1,425.46
07/20/2016	Cigna	Patient/Resident account	1,681.03
07/20/2016	Other Commercial	Patient/Resident account	16,765.86
07/20/2016	Other	Cash payments	2,226.08
07/20/2016	Other EFT	Patient/Resident account	16,032.88
07/21/2016	Medicare EFT	Patient/Resident account	20,998.37
07/21/2016	Other Commercial	Patient/Resident account	137.38
07/21/2016	Other	Cash payments	5,011.63
07/21/2016	Other EFT	Patient/Resident account	8,531.38
07/22/2016	Medicare EFT	Patient/Resident account	3,295.73
07/22/2016	Cigna	Patient/Resident account	11,568.12
07/22/2016	Other Commercial	Patient/Resident account	859.62
07/22/2016	Other	Cash payments	13,285.62
07/22/2016	Other EFT	Patient/Resident account	115,371.36
07/25/2016	Medicare EFT	Patient/Resident account	28,423.13
07/25/2016	Aetna/BCBS	Patient/Resident account	17,447.26
07/25/2016	Cigna	Patient/Resident account	1,995.91
07/25/2016	Other Commercial	Patient/Resident account	34,810.45
07/25/2016	Other	Cash payments	60,524.93
07/25/2016	Other EFT	Patient/Resident account	60,124.02
07/26/2019	Medicare EFT	Patient/Resident account	30,803.03
07/26/2019	Aetna/BCBS	Patient/Resident account	122,491.37
07/26/2019	Cigna	Patient/Resident account	17,338.25
07/26/2019	Other Commercial	Patient/Resident account	95,279.55
07/26/2019	Other	Cash payments	47,541.15
07/26/2019	Other EFT	Patient/Resident account	13,888.70
07/27/2016	Medicare EFT	Patient/Resident account	23,622.09
07/27/2016	Cigna	Patient/Resident account	2,339.05
07/27/2016	Other Commercial	Patient/Resident account	9,499.88
07/27/2016	Other	Cash payments	10,695.73
07/27/2016	Other EFT	Patient/Resident account	18,517.46
07/28/2016	Medicare EFT	Patient/Resident account	25,610.81
07/28/2016	Other Commercial	Patient/Resident account	105.71
07/28/2016	Other	Cash payments	9,107.44
07/28/2016	Other EFT	Patient/Resident account	23,678.51
07/28/2016	QRA	Cash payments	332,560.00
07/29/2016	Medicare EFT	Patient/Resident account	50,866.19
07/29/2016	Other Commercial	Patient/Resident account	2,999.58
07/29/2016	Other	Cash payments	6,287.92
07/29/2016	Other EFT	Patient/Resident account	7,259.37
<b>Total Cash Receipts</b>			<b>\$ 3,365,005.85 (1)</b>

(1) Total for all accounts should agree with total cash receipts listed on Form 2-B, page 1

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**DEBTOR(S):** Powell Valley Health Care, Inc.

**CASE NO:** 16-20326

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

For Period: 07/01/2016 to 07/31/2016

**CASH DISBURSEMENTS DETAIL**  
*(attach additional sheets as necessary)*

**Account No:**

**# 8425**

Date	Check No.	Payee	Description (Purpose)	Amount
07/07/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- auto deposit	574,958.70
07/07/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	17,447.91
07/08/16	EFT	Electronic Funds Transfer	Trsf to pension act 7901	64,645.68
07/11/16	EFT	Electronic Funds Transfer	FICA payroll taxes	102,438.76
07/11/16	EFT	Electronic Funds Transfer	Federal withholding payroll taxes	111,344.92
07/12/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	132,360.07
07/12/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	12,554.79
07/13/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	664.16
07/13/16	EFT	Electronic Funds Transfer	Montana state tax	940.00
07/13/16	1038	Arthrex	Deposit against post petition invoices	13,500.00
07/19/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	179,478.87
07/21/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- auto deposit	727,361.52
07/21/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	14,145.17
07/21/16	EFT	Electronic Funds Transfer	Trsf to HRA/Emp Flex act 3101	1,550.00
07/21/16	EFT	Electronic Funds Transfer	Trsf to pension act 7901	76,808.92
07/21/16	1039	Direct Supply	Deposit against post petition invoices	1,100.00
07/25/16	EFT	Electronic Funds Transfer	FICA payroll taxes	113,147.34
07/25/16	EFT	Electronic Funds Transfer	Federal withholding payroll taxes	218,699.85
07/25/16	EFT	Electronic Funds Transfer	clear transfer	347,152.53
07/25/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	905.66
07/25/16	EFT	Electronic Funds Transfer	Trsf to EMBS act 6301	95,666.46
07/26/16	EFT	Electronic Funds Transfer	Trsf to payroll act 4501- manual chks	664.16
07/26/16	1040	MedRad Bayer	Deposit against post petition invoices	1,400.00
07/29/16	1041	USI	Extend Cyber insurance to 9/7/16	711.91
07/29/16	1042	USI	Auto insurance 8/1/16-7/31/17	11,058.00
07/29/16	1043	USI	Property insurance 8/1/16-7/31/17	52,125.00
07/29/16	1044	UMIA	1/2 Med/Mal tail coverage	341,004.00
	2339-2657	Accounts Payable checks	See attached check register	1,171,517.19
<b>Total Cash Disbursements</b>				<b>\$ 4,385,351.57 (1)</b>

(1) Total for all accounts should agree with total cash disbursements listed on Form 2-B, page 1

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**Form 2-C**  
**COMPARATIVE BALANCE SHEET**

**For Period Ended:** 07/31/2016

	Current Month	Petition Date (1)
<b>ASSETS</b>		
<b>Current Assets:</b>		
Cash (from Form 2-B, line 5)	\$ 3,052,431	\$ 4,255,881
Accounts Receivable (from Form 2-E)	8,934,746	8,383,526
Receivable from Officers, Employees, Affiliates	0	0
Inventory	756,818	757,444
Other Current Assets : (List) <u>Pre-paid Expense</u>	1,301,335	865,872
<u>Receivable from legal settlements</u>	11,450,000	11,450,000
<b>Total Current Assets</b>	<b>\$ 25,495,330</b>	<b>\$ 25,712,723</b>
<b>Fixed Assets:</b>		
Land	\$ 0	\$ 0
Building	694,434	694,434
Equipment, Furniture and Fixtures	10,006,443	9,997,873
<b>Total Fixed Assets</b>	<b>10,700,877</b>	<b>10,692,307</b>
Less: Accumulated Depreciation	( 8,368,864 )	( 8,254,973 )
<b>Net Fixed Assets</b>	<b>\$ 2,332,013</b>	<b>\$ 2,437,334</b>
Other Assets (List): _____	0	0
_____	0	0
<b>TOTAL ASSETS</b>	<b>\$ 27,827,343</b>	<b>\$ 28,150,057</b>
<b>LIABILITIES</b>		
Post-petition Accounts Payable (from Form 2-E)	\$ 1,469,153	\$ 1,167,152
Post-petition Accrued Profesional Fees (from Form 2-E)	228,501	250,000
Post-petition Taxes Payable (from Form 2-E)	551,963	172,650
Post-petition Notes Payable	129,196	128,056
Other Post-petition Payable(List): <u>see schedul 2G liab</u>	2,663,632	3,405,269
<u>Legal claim reserve</u>	11,750,000	11,750,000
<b>Total Post Petition Liabilities</b>	<b>\$ 16,792,445</b>	<b>\$ 16,873,127</b>
<b>Pre Petition Liabilities:</b>		
Secured Debt	1,307,371	1,153,923
Priority Debt	0	0
Unsecured Debt	1,260,185	1,415,297
<b>Total Pre Petition Liabilities</b>	<b>\$ 2,567,556</b>	<b>\$ 2,569,220</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 19,360,001</b>	<b>\$ 19,442,348</b>
<b>OWNERS' EQUITY</b>		
Owner's/Stockholder's Equity	\$ 0	\$ 0
Retained Earnings - Prepetition	8,691,606	8,691,606
Retained Earnings - Post-petition	-224,264	16,103
<b>TOTAL OWNERS' EQUITY</b>	<b>\$ 8,467,342</b>	<b>\$ 8,707,709</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>\$ 27,827,343</b>	<b>\$ 28,150,057</b>

(1) Petition date values are taken from the Debtor's balance sheet as of the petition date or are the values listed on the Debtor's schedules.

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DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO: 16-20326

**Form 2-D**  
**PROFIT AND LOSS STATEMENT**  
For Period 07/01/2016 to 07/31/2016

	Current Month	Accumulated Total (1)
Gross Operating Revenue	\$ 6,008,092	\$ 15,145,670
Less: Discounts, Returns and Allowances	( 2,244,554 )	( 6,148,699 )
<b>Net Operating Revenue</b>	<b>\$ 3,763,538</b>	<b>\$ 8,996,971</b>
Cost of Goods Sold	3,298,333	8,257,495
<b>Gross Profit</b>	<b>\$ 465,205</b>	<b>\$ 739,476</b>
Operating Expenses		
Officer Compensation	\$ 19,106	\$ 39,712
Selling, General and Administrative	0	0
Rents and Leases	82,195	205,593
Depreciation, Depletion and Amortization	61,307	151,349
Other (list): <u>Repairs</u>	48,456	122,186
<u>Insurance</u>	61,496	153,289
Total Operating Expenses	\$ 272,560	\$ 672,129
<b>Operating Income (Loss)</b>	<b>\$ 192,645</b>	<b>\$ 67,347</b>
Non-Operating Income and Expenses		
Other Non-Operating Expenses	\$ 0	\$ 0
Gains (Losses) on Sale of Assets	0	0
Interest Income	0	0
Interest Expense	-4,280	-11,820
Other Non-Operating Income	0	0
Net Non-Operating Income or (Expenses)	\$ -4,280	\$ -11,820
Reorganization Expenses		
Legal and Professional Fees	\$ 135,713	\$ 279,791
Other Reorganization Expense	0	0
Total Reorganization Expenses	\$ 135,713	\$ 279,791
<b>Net Income (Loss) Before Income Taxes</b>	<b>\$ 52,652</b>	<b>\$ -224,264</b>
Federal and State Income Tax Expense (Benefit)	0	0
<b>NET INCOME (LOSS)</b>	<b>\$ 52,652</b>	<b>\$ -224,264</b>

(1) Accumulated Totals include all revenue and expenses since the petition date.

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DEBTOR(S):

Powell Valley Health Care, Inc.

CASE NO: 16-20326

Form 2-E (Page 1 of 2)  
SUPPORTING SCHEDULES

For Period: 07/01/2016 to 07/31/2016

Summary of Post-Petition Taxes				
Type of tax	1	2	3	4
	Unpaid post-petition taxes from prior reporting month(1)	Post-petition taxes accrued this month (new obligations)	Post-petition tax payments made this reporting month	Unpaid post-petition taxes at end of reporting month (columns 1+2-3)
<b>Federal</b>				
Employee income tax withheld	75,813	444,083	218,700	301,197
Employee FICA taxes withheld	35,262	156,337	107,793	83,806
Employer FICA taxes	35,262	156,337	107,793	83,806
Unemployment taxes				
Other:				
<b>State</b>				
Sales, use & excise taxes	89	44	89	44
Unemployment taxes	6,900	4,600	6,900	4,600
Other: Worker Compensation	63,656	78,510	63,656	78,510
<b>Local</b>				
Personal property taxes				
Real property taxes				
Other:				
<b>Total unpaid post-petition taxes</b>				<b>551,963</b>

(1) For first report, the beginning balance in column 1 will be \$0; thereafter, beginning balance will be ending balance from prior report.

Insurance Coverage Summary				
Type of insurance	Insurance carrier	Coverage amount	Policy expiration date	Premium paid through date
Workers' compensation	State of Wyoming	Not Applicable	Not Applicable	Not Applicable
General liability	National Fire & Risk/AB Risk, USI Insurance Service	\$1M/\$5M \$5M Umbrella	08/01/2017	09/30/2016
Property (fire, theft, etc.)	Affiliated FM Insurance Company, USI Insurance Service	Bldg \$100m Flood \$75m	08/01/2017	07/31/2017
Vehicle	National Indemnity Company/RPS, Ohio Security Insurance, USI Insurance Service	\$1M auto & \$1m Ambulanc	08/01/2017	07/31/2017
Other (list): Director & Officer Liability	Darwin National Assurance Co., USI Insurance Service	\$2m	09/07/2016	09/07/2016
Other (list): Internet/Cyber Liability	NAS/Lloyd's of London, USI Insurance Service	\$1m/claim \$1m/agg	09/01/2016	09/01/2016
Other (list): Crime	Travelers Casualty and Surety, USI Insurance Service	\$500,000	08/01/2017	07/31/2017

If any policies were renewed or replaced during reporting period, attach new certificate of insurance.



DEBTOR(S): Powell Valley Health Care, Inc.

CASE NO: 16-20326

Form 2-E (Page 2 of 2)  
SUPPORTING SCHEDULES

For Period: 07/01/2016 00:00 to 07/31/2016 00:00

Accounts Receivable Aging Summary (attach detailed aging report)					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Pre-petition receivables			520,818	2,427,850	2,948,668
Post-petition receivables	3,157,433	2,149,888	678,603	154	5,986,078
Total	3,157,433	2,149,888	1,199,421	2,428,004	8,934,746

Post-Petition Accounts Payable Aging Summary (attach detailed aging report)					
	30 days or less	31 to 60 days	61 to 90 days	Over 90 days	Total at month end
Trade Payables	575,416	257,117	424,606	137,745	1,394,884
Other Payables	11,800	4,250	4,250	53,970	74,269
Total	587,215	261,367	428,856	191,715	1,469,153

SCHEDULE OF PAYMENTS TO ATTORNEYS AND OTHER PROFESSIONALS					
	Month-end Retainer Balance	Current Month's Accrual	Paid in Current Month	Court Approval Date	Month-end Balance Due *
Debtor's Counsel	\$228,501	\$	\$		\$228,501
Counsel for Unsecured Creditors' Committee					
Trustee's Counsel					
Accountant					
Other:					
Total	228,501				228,501

\*Balance due to include fees and expenses incurred but not yet paid.

SCHEDULE OF PAYMENTS AND TRANSFERS TO PRINCIPALS/EXECUTIVES**			
Payee Name	Position	Nature of Payment	Amount
Michael Long	Chief Financial Officer	Salary/Wages	19,106

\*\*List payments and transfers of any kind and in any form made to or for the benefit of any proprietor, owner, partner, shareholder, officer, or director.

**Form 2-F**  
**QUARTERLY FEE SUMMARY \***  
**For the Month Ended:** 07/31/2016

<u>Month</u>	<u>Year</u>	<u>Cash Disbursements **</u>	<u>Quarterly Fee Due</u>	<u>Check No.</u>	<u>Date Paid</u>
January		\$ 0			
February		0			
March		0			
<b>TOTAL 1st Quarter</b>	<b>\$</b>	<b>0</b>	<b>\$</b>		
April		0			
May	<u>20 16</u>	1,330,126			
June	<u>20 16</u>	3,481,838			
<b>TOTAL 2nd Quarter</b>	<b>\$</b>	<b>4,811,964</b>	<b>\$ 10,400</b>		
July	<u>20 16</u>	4385351			
August		0			
September		0			
<b>TOTAL 3rd Quarter</b>	<b>\$</b>	<b>4385351</b>	<b>\$</b>		
October		0			
November		0			
December		0			
<b>TOTAL 4th Quarter</b>	<b>\$</b>	<b>0</b>	<b>\$</b>		

**FEE SCHEDULE (as of JANUARY 1, 2008)**

*Subject to changes that may occur to 28 U.S.C. §1930(a)(6)*

<u>Quarterly Disbursements</u>	<u>Fee</u>	<u>Quarterly Disbursements</u>	<u>Fee</u>
\$0 to \$14,999.....	\$325	\$1,000,000 to \$1,999,999.....	\$6,500
\$15,000 to \$74,999.....	\$650	\$2,000,000 to \$2,999,999.....	\$9,750
\$75,000 to \$149,999.....	\$975	\$3,000,000 to \$4,999,999.....	\$10,400
\$150,000 to \$224,999.....	\$1,625	\$5,000,000 to \$14,999,999 .....	\$13,000
\$225,000 to \$299,999.....	\$1,950	\$15,000,000 to \$29,999,999....	\$20,000
\$300,000 to \$999,999.....	\$4,875	\$30,000,000 or more	\$30,000

\* This summary is to reflect the current calendar year's information cumulative to the end of the reporting period

\*\* Should agree with line 3, Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts

*Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case. [11 U.S.C. Sec. 1112(b)(10)]*

*In addition, unpaid fees are considered a debt owed to the United States and will be assessed interest under 31 U.S.C. §3717*

Rev. 1/15/14



**DEBTOR(S)** Powell Valley Health Care, Inc.

**CASE NO:** 16-20326

**Form 2-G  
NARRATIVE**

**For Period Ending:** 07/31/2016

Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors, or the court during the reporting period, any unusual or non-recurring accounting transactions that are reported in the financial statements, and any significant changes in the financial condition of the debtor which have occurred subsequent to the report date.

**FORM 2B-1** Line 50, Cash Accounts are made up of General Checking #701, EBMS Checking #6301, Flex Spending #3101, Care Center Resident Trust #2088, Employee Benefit #5601, and Pension #7901. **Form 2B-3** Cash Disbursements other of \$16,000 is for vendor deposits made during the period. **Form 2C-Liabilities**, line 38 Other Payables, this line is made up of accrued Provider Incentives \$80,782, Accrued Payroll \$67,838, 3rd Party Receivable/Payable (Medicare Cost Report Settlement) \$256,385, Assisted Living Room Retainer \$34,000, NH Resident Trust \$9,560, Donations \$86, and Accrued Benefits \$2,214,981. **Form 2D** Officer compensation equals the amount listed on Form 2E. Rent, Depreciation, Interest, Repairs, and Insurance come from facility income statement, all other expenses is combined into cost of goods sold. **Form 2-E (Page 1 of 2)** Insurance coverages - we have updated our insurance coverage for the 8/1/2016 start, Note the existing Director & Officer coverage with an expiration date of 9/1/2016 was extended to 9/7/2016 and the Cyber insurance with an expiration date of 8/15/2016 was extended to 9/1/2016